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WELFARE-TO-WORK: THE STEPS-TO-WORK (StW) PROGRAM IN JAMAICA

Introduction

Public policy is conditional in one form or another and this is clearly evident in the welfare-to-work program discussed in this paper. The attachment of skills training to conditional cash transfer programs is a recent phenomenon that has gained currency in many developing countries. Jamaica introduced the Program of Advancement through Health and Education (PATH) program in 2001, and piloted a Steps-to-work (StW) program targeted primarily at able-bodied members of PATH beneficiary households in 2007. The program sought to make PATH beneficiary households less dependent on welfare by providing a pathway towards employment through remedial and life skills training, exposure to entrepreneurial skills and start-up capital. Such programs may lead to direct job creation (through the entrepreneurial grants), help the unemployed fill existing vacancies (through re-training for new or existing job requirements), or improve the functioning of the labor market (through employment information and labor offices). The rationale of these programs varies considerably; for example, the entrepreneurial grant is very much a demand-side intervention, training a supply-side one, while labor market intermediation can be seen as an attempt to bridge these two sides of the labor market. It therefore seems that the underlying assumption of the StW program is that more information leads to better job matching which, for one reason or another, assumes that some market failure exists. It is well established that labor market outcomes such as high unemployment can lead to

social unrest, but welfare-to-work programs are likely to mitigate some of these negative effects.

Some would argue, however, that if the market works, no program should be required. The policy emphasis should instead be on making markets work. The theoretical debate on the need for active and passive programs is bound to continue, depending on the values and assumptions adopted by policy makers. However, given that many countries do implement these programs, a more pragmatic approach is not whether to have them, but whether the intended objectives are met. In this report we evaluated the StW program to ascertain what changes have taken place in the lives of beneficiaries since participation in the skills training; their ability to seek and retain employment; and their perceptions of change.

In light of the relatively short period since the implementation of the StW program, the full impact of the training and employment-generating initiatives are unlikely to be seen. It is also important that we acknowledge that the StW program exists within a context and that the socio-cultural, political, institutional, economic, and geographical environment may have a major impact on the outcome and impact of the program. We must be mindful, therefore, that not all observed changes or outcomes can be attributed to the StW program as there are likely to be several other factors acting simultaneously which influence outcomes. In other words, the StW program cannot be analyzed in isolation of the wider environment.¹

¹ Jamaica has consistently experienced less than expected growth outcomes over the last 35 years. These outcomes have been significantly below potential growth. As a result, the country has lost ground relative to others that it led or equalled at independence. The World Bank (2011) has identified several binding constraints on the Jamaican economy, but suggests that the most important are crime, deficient human capital and fiscal distortions. Despite these setbacks, there are good reasons for optimism. Jamaica has maintained political stability since independence and has experienced high rates of private

The results however show that the training has impacted the ability of individuals to seek and retain employment and the lives and outlook of most individuals in a positive way and a significant number of individuals reported that they found employment, started a business or improved their existing businesses.

In the section that follows, we analyze the outcomes for the StW program. First we provide some background information on the research methods used, followed by a brief literature review. The characteristics of the treatment and control groups are presented and point to significant similarities in demographic and educational outcomes. Individuals' skill sets prior to and after program participation are also analyzed, in addition to skills training they received and issues in program participation. The paper goes on to analyze the employment outcomes of the program, households' wellbeing and the impact of the program on the profits of self-employed individuals, followed by an analysis of the StW program's impact and a conclusion.

Methodology and Survey Design

The study used a combination of cross-sectional and experimental designs to tease out the impact of the StW program on beneficiaries' ability to seek and retain employment. There are therefore two different types of analysis but both are used to triangulate the results of the surveys and focus group discussions. The survey of the StW beneficiaries and a control group of PATH beneficiaries was conducted during the second quarter of 2011 and used a combination of structured questionnaires and qualitative methods, such as focus groups and unstructured interviews. Focus group meetings were held

investment, a significant reduction in poverty and improved income distribution.

with both StW and PATH beneficiaries. This research was conducted in six parishes across Jamaica, and the distribution of the sample of beneficiaries studied is outlined in the following section.

Sample Size

The samples used in this study were drawn from the population of individuals exposed to the StW program and a comparison group of PATH beneficiaries not exposed to the training program. The study started out using a random systematic proportional sample drawn from the list of all beneficiaries supplied by the Ministry of Labor and Social Security (MLSS). The samples were also drawn to allow for the proportional representation of the parishes. Annex 1 shows the distribution of the sample of StW beneficiaries by parishes and is as follows: Clarendon 35.5 percent, Manchester 21.4 percent, St. James 15.5 percent, Trelawny 12.2 percent and Kingston & St. Andrew 15.5 percent. A total of 262 individuals participated in the survey, of which 85 percent were females. To be representative, the selected sample of program participants included not only geographical divisions but also the different skills training programs into which participants were channeled. In other words, the sample frame is the list of beneficiaries by parish and groupings based on individual assessments (individuals were placed into training programs based on an initial assessment), from which a proportionate sampling approach was used. To reduce the level of sampling errors and cater for non-response, we over-sampled. We anticipated a total of 250-300 StW beneficiaries and the canvassed individuals who participated in the survey are within this range. Individuals were contacted by the parish managers of the Ministry of Labor and Social Security and invited to a centralized location where trained interviewers,

recruited mainly among university students, conducted the interviews.²

The parish proportions used in the selection of the StW beneficiaries were applied in selecting the control group of PATH beneficiary households, using the same sampling methods to arrive at a comparable number of individuals. A control group of 295 PATH beneficiaries, not exposed to the StW program, was selected and interviewed during the same period. A slightly altered survey instrument was administered and the distribution of the sample is as follows: Clarendon 29.8 percent, Manchester 16.9 percent, St. James 21.0 percent, Trelawny 15.3 percent and Kingston & St. Andrew 17.0 percent.

It is not unusual in the case of unexpected high non-response rates to make some adjustments in the field. As a result, the sampling method outlined above was also combined with some level of purposive sampling. In all parishes social workers familiar with beneficiaries were also asked to mobilize individuals to participate in the survey and focus group meetings. In fact, the earlier approach of a random systematic sample, based on a list of beneficiaries supplied by the MLSS, failed to produce the required number of beneficiaries in Kingston, St. Andrew and Clarendon. Anecdotal information suggested that there were discrepancies between the list of beneficiaries held by the parish offices and that supplied by the head office. There were also problems contacting beneficiaries on the listed phone numbers they provided to program officials. As a result, for the remaining parishes and to make up the number of beneficiaries interviewed in the earlier parishes, a purposive sample approach was also used to identify and encourage participation. We are aware that this approach may suffer from selectivity bias but this was the most

² Prospective participants were informed that their participation was strictly voluntary and had no impact on their benefit.

appropriate and convenient method of recruiting participants in light of the challenges.

The sample of both StW and PATH beneficiaries reflects sub-groups of individuals previously selected by the PATH beneficiary identification mechanism to participate in the conditional cash transfer program. These individuals were assessed based on a number of characteristics and classified, and are therefore quite homogeneous. We are therefore very confident in the general representativeness of the sample and the appropriateness of the control group.

Focus Group Discussions

In addition to the survey of program participants, the study employed personal and telephone interviews along with focus group meetings with a smaller sample of selected beneficiaries. Focus group meetings were held in all the parishes. For the purpose of this study, two focus group meetings involving StW and PATH beneficiaries were held separately in each parish with approximately 15-20 participants.

Here we encouraged participants to speak freely and spontaneously about their experience with the StW program and collected in-depth information on concepts, perceptions and ideas, which may prove useful in moving the program forward. Participants for the focus group meetings were selected from beneficiaries who showed up at interviewing sites, using a convenient sampling method in each cluster with special consideration given to gender, type of intervention and age of beneficiary. Here we gathered information on beneficiary perceptions of the relevance and quality of the training, their employment status and satisfaction with current job, the social and economic returns on the received training (changes in financial well-being, children's schooling, etc.) and the

main strengths and weaknesses of the program. Individuals spoke of their expectations and aspirations before and after they had completed the training program.

The focus group meetings not only offered the opportunity to contrast the views of StW and PATH program beneficiaries but also to triangulate the results with the survey. The mixed methods approach allowed us not only to establish how current participants and graduates (80.0 percent) of the StW program sought and maintained employment but also allowed us to address issues such as the possible effects of their training on their income/profits, perceptions of the quality and relevance of the received training, satisfaction with training program and perceived impact on their livelihood or behavior. However, before turning to these issues we present a brief literature review.

Literature Review

Welfare-to-work programs in developed countries are generally focused on increasing participants' labor market outcomes both by aiding their search activities, improving their skills and making them more marketable. These programs may consist of several sub-programs, each addressing different training needs such as remedial education, job preparation and search, vocational training and life skills and apprenticeship (on the job) exposure. There is also the belief that these programs are better served and are more effective when targeted to welfare recipients who are most likely to remain on public assistance for a longer time.

These programs are designed to reduce beneficiary dependence on public assistance by improving their chances of finding employment. There is however the belief that public assistance may impact adults' labor supply and leisure. This may be a phenomenon more evident in developed countries where successful entry into

the labor market and improved earnings are accompanied by exit from receiving welfare. As a result the debate in these societies tends to address whether the work-first approach³ or the welfare-to-work process is more effective in promoting welfare recipients' transition from welfare-to-work. There are few studies that address the labor supply response of adults to transfer programs in developing countries. Shan and Alderman (1996) cited in Skoufias and Di Maro (2008) "suggested that the labor supply effect of a rice subsidy program in Sri Lanka was significantly large." This is at odds with findings for the PROGRESSA program in Mexico. In that study Skoufias and Di Maro (2008), utilizing an experimental design, argued that the program does not have any significant effect on adult labor force participation and leisure time.

The literature on welfare-to-work programs in developed countries shows that they are attached to a range of supplementary safety net programs targeted to a wide variety of individuals. The completion of the skills training program is followed by job placement and job retention initiatives. However, the success of job placement may be constrained by clients' characteristics such as reluctance to work, multiple disabilities, low self-esteem, fear regarding work, lack of soft/social skills, lack of money for training certificates and interview clothing, criminal background and inexperience in obtaining and keeping jobs. As a result the literature suggests that these welfare recipients may generally require a much longer time frame to become gainfully employed than program administrators expect.

In addition, Breitzkreuz and Williamson (2012:661) point to the literature which shows that the experience of

³ The work-first approach uses proactive measures to assist welfare recipients with job placement, job search and finding employment. The presumption of this approach that any job is a good job and will eventually move welfare recipients out of poverty has been shown by Breitzkreuz and Williamson (2012:683), to be problematic.

the United States and United Kingdom suggests that, although welfare recipients have obtained jobs, welfare-to-work has not substantially enhanced the economic wellbeing of vulnerable families and this is seen in the case of the Jamaica StW program. Instead, those who have been able to find and maintain employment remain vulnerable and are now part of the working poor (Breitkreuz and Williamson, 2012:661). The literature has also shown that, while welfare-to-work is effective in reducing welfare rolls and moving beneficiaries into employment, it does not help many of them to escape poverty. This is in part because most of the jobs are typically part-time, temporary, low-paying or precarious jobs (Lightman et al. 2008) and, in the case of the Jamaica StW program, many of the self-employed are engaged in what can be described as coping strategies.

General Characteristics of Beneficiaries

Demographic and Educational Outcomes

This section analyzes the general demographic and education outcomes of participants of the StW program and the control group of PATH program beneficiaries. The overwhelming majority of individuals who participated in the StW program were less than 55 years old, female, household heads, and resided in rural areas.⁴ While the union status of most of these individuals is single, approximately two fifths are married or in common-law relationships. The mean household size of beneficiary households was six individuals, much higher than the average for Jamaica, and children were overwhelmingly recognized as the main dependents of the household but in

⁴ Because of the over representativeness of females and rural areas in the samples (StW and PATH beneficiaries) we are cautious in the analysis done by these two categories.

a significant number of cases *Partner* and *Mother* were also identified as dependents. In addition, the average beneficiary household was registered on the PATH program for about 6 years, with a slightly longer time for households residing in rural or semi-urban areas. This is higher than the average 4 years for PATH beneficiaries not registered on the StW program and possibly points to a strategy of targeting the more dependent who are likely to remain on the PATH program for a longer period of time.

The majority of PATH beneficiaries also resided in rural or semi-rural areas (84.4 percent), were females, less than 55 years old, and the head of the household. Just over half of these household heads were single, while 29 percent were married or in a common-law relationship. Similar to StW beneficiaries, the mean household size was six individuals and is the same for all parishes. Annex 2 shows the household structure of StW and PATH beneficiary households. Clearly, the age structure of both group of beneficiaries (StW and PATH) is the same. It is therefore not surprising that, similar to StW beneficiaries, 94.0 percent of PATH households identified children as the main dependents but in a notable number of cases *Partner* and *Mother* were also identified as dependents. From a demographic perspective, these groups are quite similar and the PATH individuals clearly meet the criteria of a control group. In fact we did not expect to see significant differences between PATH and StW beneficiaries since, as noted above, both groups of households were initially screened through the beneficiary identification mechanism of qualification for PATH benefits.

The educational outcomes of StW and PATH beneficiaries are quite similar (prior to program participation) where the majority attained between completed primary education and vocational or post-secondary education, and this is robust across gender, age cohorts and regions. The data also show that most females

of both groups completed primary and were exposed to and or completed secondary education. While this is also true for StW male beneficiaries, a noticeable larger percentage of PATH male beneficiaries only attained incomplete primary education. In addition, for both groups of beneficiaries, younger individuals were more likely to attain higher educational outcomes relative to older counterparts.

The distribution by gender of educational attainment in Annex 2, suggests that women have better educational outcomes at all levels, with even greater numbers at higher educational levels, but this may also be a reflection of the sample where women were overly represented. Annex 3 shows that 31.3 percent of beneficiaries of the StW program reported no change in their educational attainment after completing the program. However, there had been a significant increase in the number of individuals reporting that they had post-secondary education, 39.4 percent compared with 12.2 percent prior to accessing the program. As expected, there is now a significant drop in the number of individuals whose highest level is primary or secondary education. Clearly this augers well for the labor market which has been classified by the World Bank as having low levels of human capital (World Bank, 2011:8). Nonetheless, there are gender concerns as 70 percent of men now have post-secondary (but the N is small) compared with 35.0 percent for females, and a greater proportion of females have the same level of education as before StW. We also see in Annex 4 that 61.8 percent of PATH beneficiaries now report having post-secondary education much larger than the estimates for StW participants. However, the number of PATH respondents is relatively small and this outcome is unlikely to be robust.

We also analyzed the educational outcomes of StW participants by the type of program completed. For many of

these categories the numbers were too small for meaningful analysis and therefore we look at individuals who completed the Farmers' Training and Support and Entrepreneurial Training and Support programs. Most farmers reported that they had the same level (37.5 percent, or primary 30.0 percent) of education. On the other hand, 37.3 percent of individuals that completed the Entrepreneurial Training had post-secondary education while 39.0 percent reported having the same level of education. This is clearly an improvement over prior program participation where farmers and entrepreneurs with post-secondary education were 6.6 percent and 15.1 percent respectively.

This section shows that the demographic and educational outcomes of both groups of beneficiaries are quite similar. For both groups we also see slightly better educational results for younger individuals and women at the post-secondary level prior to program participation. In the next section, we analyze information on program registration and participation.

Program Participation

In this section we analyze how individuals were informed of the StW program, the training programs in which they were registered, their skill sets before and after program participation and their motivation for program participation.

The majority of participants on the StW program were informed of the program either by visiting the PATH office (12%) or were contacted by officials of the PATH program (50%). Word of mouth also served as an important means of informing friends and family members (26%). The remaining 12 percent of individuals were informed by other means: the news media; StW promotion fairs; and through a teaching institution. Annex 5 outlines the different types of programs offered and the distribution of

registration by gender and for all participants. The overwhelming majority of individuals were registered for the Entrepreneurial Enhancement Training, followed by Farmers Training and Support, Jamaica Foundation of Lifelong Learning (JFLL), Job Savvy and HEART Skills Training. This distribution reflects closely the distribution for women and may as previously indicated, be due to the over-representation of women on the program. Males were more likely to register for programs such as Farmers Training and Support, National Youth Service, HEART Skills Training, JFLL and Job Savvy.

The majority of beneficiaries (80.0 percent) reported that they completed the training program. Some individuals in the focus group meetings expressed pride in graduating since they had no prior experience of graduating. Approximately 28 percent of participants reported receiving certificates for the training received, and in most cases, the programs received outstanding reviews both in time allocated for the training, content covered and relevance of skills. Many individuals in the focus groups expressed the view that they had a different perspective on money management and costing their time in their business, savings and investment. These skills, they argued, allowed them to better manage their businesses financially but they also learned new techniques in, for example, poultry farming. A huge majority (91.0 percent) of employed participants of the StW program suggested that the skills and qualifications gained were important to their present job. In addition, 83 percent of beneficiaries thought that the time allocated for the steps-to-work training program was adequate. Conversely, a small number of individuals in the focus group meetings suggested that the program should have been longer, cover a greater area of the subject and in greater depth. Most beneficiaries reported that they passed on the knowledge, skills, values and attitudes obtained from the StW program to family

members and friends and in a few cases to community members. Individuals also enter the StW program with a variety of skills to which we now turn.

Skill Sets of Beneficiaries

The skills shown in Annex 6 and 7 are not mutually exclusive and individuals may have one or more of these skills. Individuals entered the StW program with a variety of skills. The most widespread skills were in farming (both livestock and cash crops), baking (including catering and cooking), hotel service work and domestic skills. Farming and baking accounted for just under half of all individuals and this is also seen for PATH beneficiaries. However, there has been a significant increase in individuals who have completed the StW training with farming skills and this may be a direct result of Farmers' Training and Support and Entrepreneurial Enhancement Training. This is supported by the results for PATH beneficiaries where, with program participation, individuals with skills in farming and baking declined. There was also a decline in baking and waiter skills and a significant increase in accounting skills for StW participants.

While the groups were quite similar in their demographic and educational profiles, there were differences in their skill sets. Here we see that the majority of PATH beneficiaries have skills in baking, farming, domestic work and personal services of grooming and tailoring. There were a number of skills/professions that seemed to have been dropped after individuals came into the PATH program, such as professional modelling, music, electrical engineering, shoemaking, and masonry. The newly-acquired skills, or those that increased since the PATH program, were driving, computing and data entry, teaching, painting, construction, gardening, and barbering and hairdressing. It is interesting to note that, while we have seen a contraction in the skills of baking and farming

for PATH beneficiaries, both of these remained the dominant skill sets, and the result was somewhat different from that obtained for StW beneficiaries, where there has been a significant contraction in baking skills and a parallel increase in farming.

Individuals were also asked whether they received training and a certificate for their skills. Half of all farmers reported that they received training while only 3.0 percent indicated that they received a certificate. This outcome, however, improved after individuals completed the StW program. Here we see 73.0 percent of farmers self-reported that they received training and 6.8 percent received certificates. The latter outcome shows a more than doubling in the percent of farmers who reported receiving certification.

Unlike farming, the percentage of individuals who were trained in baking skills remained fairly stable at 46.0 and 41.5 percent respectively and the same is seen for those who reported receiving certificates (4% and 4.9% respectively). This outcome is clearly a result of the type of training offered by the StW program but, given that a large number of individuals engaged in this activity, it may be appropriate to include baking and catering as part of the skills training program offered under StW⁵. The same argument can be made for all the skills that experienced a decline after the StW training program, such as waiting tables, dressmaking or tailoring, barbering/hairdressing and painting. However, it is also important to recognize the skills that are needed in the society and economy and to promote those training programs. HEART Trust-NTA already offers a course in baking and catering and StW beneficiaries should be able to pursue this course. In fact,

⁵There were a few individuals who indicated that they completed the HEART training in baking and catering, but not under the StW program, and there was some uncertainty as to whether this training was accessible to StW beneficiaries.

once beneficiaries have the requirements and interest and the training is offered by HEART they should have access. This would allow individuals to become more efficient at what they are already doing and should result in improved earnings and sustainability.

The number of individuals reporting accounting skills is relatively small but, as expected, the number with training increased from 71.4 percent to 80.0 percent after individuals were exposed to the StW program. Nonetheless, the number reporting that they received a certificate (recognized official passes in the subject area) declined from 42.9 percent to 15 percent after exposure to the StW program. What this reflects is that the individuals with certification remained the same while a significant larger number of individuals were exposed to accounting skills. In fact, the number of individuals with accounting skills increased from seven to 20. However, having accounting skills and being certified are clearly different, with the latter requiring passes in examinations such as the Caribbean Examinations Council (CXC) Accounting exam. In addition, some of the StW skills training programs offered basic accounting skills as part of their program but not as a training program in accounting itself, and this is what this variable is probably reflecting.

Reasons for Registering and Difficulties in Attending the Program

We also ascertained the motivations behind participation on the StW program. Annex 8 shows the relative levels of importance based on a Likert Scale of the reasons individuals decided to enroll on the StW program. Over 50.0 percent of individuals suggested that they entered the program because they saw it as very important in improving their income, chances of finding employment, skills and in changing their situation. If we combine the

outcomes for “important” and “very important” we see that almost all individuals enrolled with the expectation of achieving the three reasons outlined above. “No tuition fees” and “did not have other option” were also important or very important reasons for enrolling in the program, while “training center close to residence” and “influenced by friends or relatives” were unimportant or very unimportant reasons for program participation for most individuals.

The training programs offered by the StW program received high praise and participants were generally satisfied with the program. The main difficulties experienced by participants were that the training centers were not very accessible and the high cost of transportation. Approximately 86.7 percent of participants indicated that the high cost of transportation posed a problem in attending the training program. In general, less than 20.0 percent of individuals had a problem with the other conditions outlined in Annex 9.

Employment Outcomes

In this section we address the question: has the StW program improved individuals’ ability to seek and retain employment? The ability of StW beneficiaries to seek and retain employment is analyzed in terms of their employment status before and after program participation and this is compared with the control group.⁶ The employment outcomes seemed to be better for individuals exposed to the Entrepreneurial Training and Support

⁶ The before and after scenarios raised the issues of appropriate benchmarking and whether the two periods were consistent across the groups. PATH beneficiaries received the benefit for an average of four years, while the StW program started in 2008. As a result reference periods for both groups seemed to be consistent.

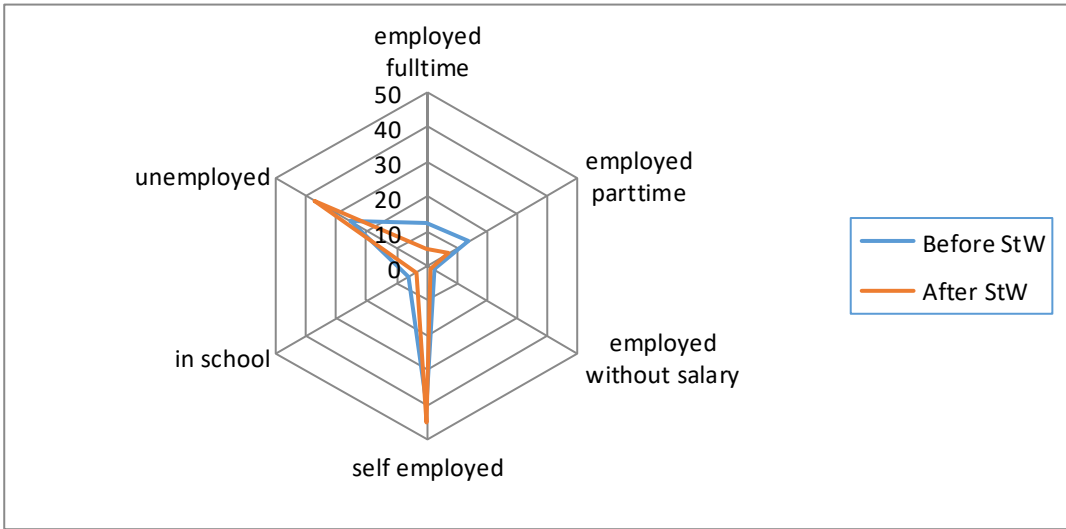
program and self-employed individuals. In the sections that follow we outline our findings.

Employment Status

Individuals in the StW and the control group were asked to state their employment status prior to and after program participation, with the option of giving more than one response. Invariably, respondents gave one response and in cases where they did not, they were also likely to state the categories “employed without salary” or “in school.” Figure 1 shows that prior to registering on the StW program the majority of beneficiaries were either self-employed (40 percent) or unemployed (25.6 percent). The remainder were employed fulltime, part-time in school, or employed without a salary (volunteering). However, employment status after individuals participated in the StW program showed that the majority of beneficiaries were still self-employed (45.2 percent) but the level of unemployment had grown to 37.6 percent (See Figure 1). The growth in the latter category resulted from most of the other categories moving into the ranks of the unemployed and may be influenced by the global financial crisis which also negatively affected Jamaica.

The outcomes are somewhat different for the control group of PATH beneficiaries. Prior to registration on the PATH program, the majority of individuals were self-employed, employed part time or unemployed. Similar to StW beneficiaries, this situation changed, and we now see that most individuals were either unemployed or self-employed. Figure 2 shows that the proportion unemployed

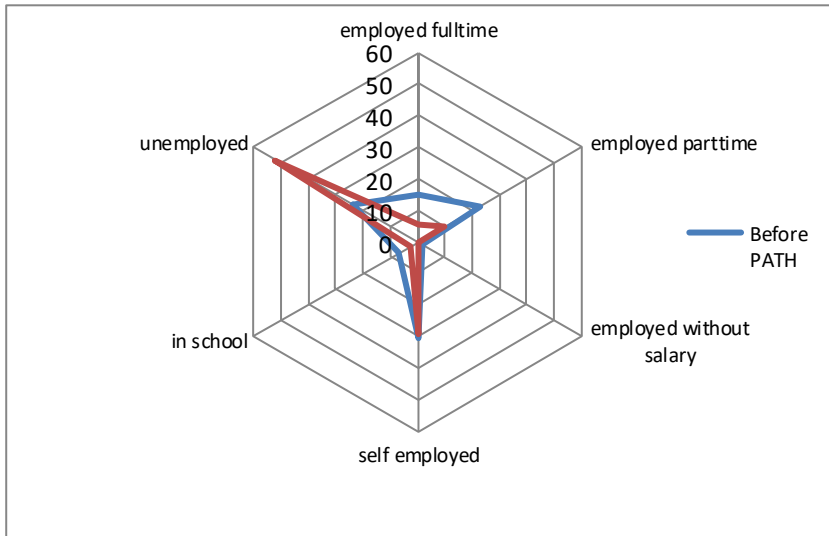
Figure 1: Distribution of Employment Status of StW Beneficiaries



increased significantly, more than doubling from 23.4 percent to 51.9 percent, while the self-employed remained unchanged. In addition, Figure 2 also shows that the proportion of fulltime and part-time employment both contracted by over 50 percent. A similar trend is seen for StW beneficiaries but with a smaller increase in the proportion unemployed and at the same time a larger percentage increase in the category self-employed.

The general trend in employment for all StW beneficiaries is clearly influenced by the outcomes for females seen in Figure 3. Both the before and after program participation diagrams (Figures 1 and 2) are similar to the general outcome for both males and females. Figure 4

Figure 2: Distribution of Employment Status of PATH Beneficiaries



shows the distribution of employment status of males and suggests a somewhat different shape but the outcomes are generally consistent. Here we see that, prior to participating in the StW program, males were predominantly self-employed. However, after completing the program, the number of self-employed contracted and they were now likely to be unemployed or in school. It is no surprise that, relative to males, female PATH beneficiaries have a higher

Figure 3: Distribution of Employment Status of Females StW Beneficiaries

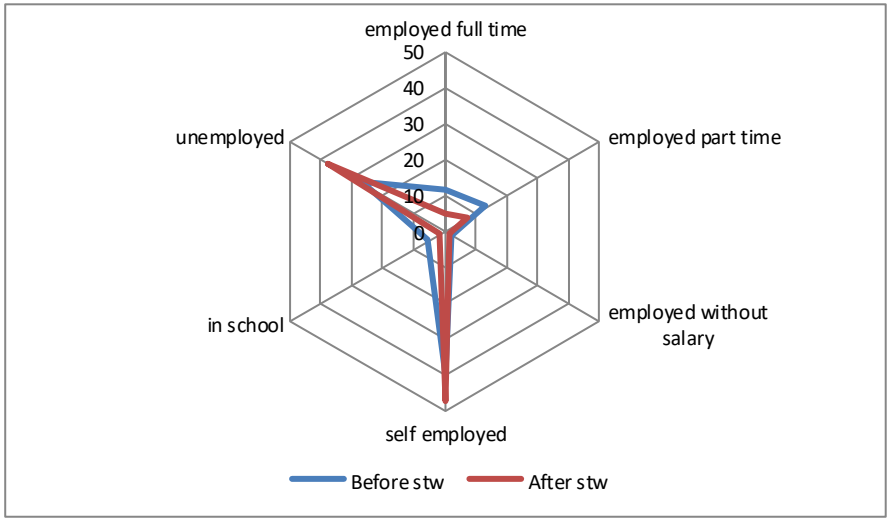


Figure 4: Distribution of Employment Status of Males StW Beneficiaries



proportion unemployed compared with individuals on the StW program. Here we see that the unemployment level for PATH female beneficiaries increased from 24.8 per cent to 53.3 per cent, while that for males increased from 8 per cent to 36 per cent. It is not clear what caused the disparity in employment outcomes for males and females but men seemed to be more severely affected by the financial crisis and there was a contraction in the ranks of the self-employed.

The employment outcomes discussed thus far are also supported by the results in Tables 1 and 2. Here we look at the employment outcomes by type of training offered by the StW program prior to and after participation. Comparison of the two tables shows that the ranks of the unemployed grew over the period but this is less so for individuals exposed to Farmers Training and Support and Entrepreneurial Training and Support. Individuals exposed to the Entrepreneurial Enhancement Training and Support had unemployment levels prior to program participation that were equal to the overall sample proportion at 25.8 percent and, despite the increase in the levels of unemployment, the unemployment level for this group of individuals remained generally unchanged. In fact, these individuals, along with those who received Farmer's Training and Support, had the lowest level of unemployment, significantly below the general sample proportion. It is therefore clear that self-employed individuals had better prospects of retaining employment, an outcome that is not surprising given the economic environment in 2011.

Table 1: Distribution of Employment Status Prior to Program Participation

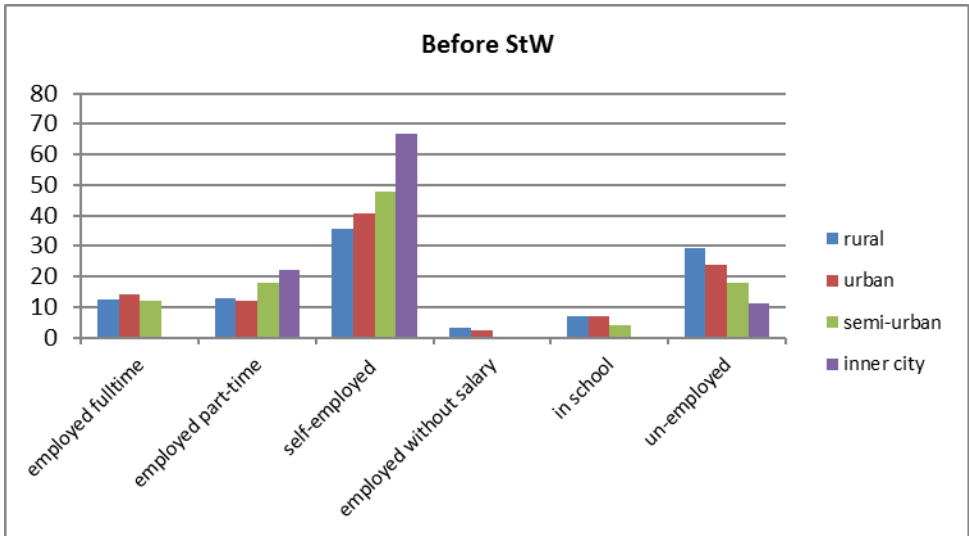
	N	employed full time	employed part-time	Self- employed	employed without salary	in school	un- employed
Job Savvy	27	14.81	11.11	18.52	0	11.11	44.44
Grade 9 refresher	4	25	50	25	0	0	0
national youth service	9	0	11.11	22.22	0	44.44	22.22
farmers training	61	9.84	14.75	52.46	3.28	0	19.67
entrepreneurial training	93	11.83	10.75	47.31	3.23	1.08	25.81
HEART skills summer intern for at risk youths	24	12.5	8.33	16.67	0	25	37.5
JFL	2	0	0	100	0	0	0
high school equivalency	27	18.52	22.22	25.93	3.7	7.41	22.22
pathway to skills	2	50	50	0	0	0	0
behaviour modification	4	0	25	75	0	0	0
possibility program	1	0	0	100	0	0	0
	5	20	20	40	0	0	20

Table 2: Distribution of Employment Status by Training Completed

StW training	N	employed		self-employed	employed without salary		in school	un-employed
		fulltime	part-time		employed	without salary		
Job Savvy	26	11.54	3.85	15.38	0	7.69	61.54	
Grade 9 refresher	4	0	0	25	25	0	50	
national youth service	9	11.11	11.11	0	0	22.22	55.56	
farmers training	61	3.28	6.56	63.93	0	0	26.23	
entrepreneurial training	93	5.38	4.3	59.14	2.15	1.08	27.96	
HEART skills training	24	8.33	8.33	16.67	4.17	8.33	54.17	
summer intervention for at risk youths	2	0	0	0	0	50	50	
JFL	27	0	22.22	37.04	0	0	40.74	
high school equivalency	2	0	0	0	0	50	50	
pathway to skills	4	0	25	50	0	0	25	
behaviour modification	1	0	0	0	0	0	100	
possibility program	5	0	0	40	0	0	60	

The regional distribution of employment status (Figure 5) also supports the general findings that unemployment increased after the StW intervention but at a lower rate relative to PATH beneficiaries. Here too we see that the number of individuals self-employed also increased but there was a slight reduction in this figure in inner-city communities. The employment outcomes for StW beneficiaries are consistent with Precin's finding (2011: 39), which shows that there is a mismatch between the expected employment placement outcomes and the severity of work barriers that welfare recipients faced. In the section that follows we look at the business activities in which self-employed individuals engaged.

Figure 5: Distribution of Employment Status by Regions



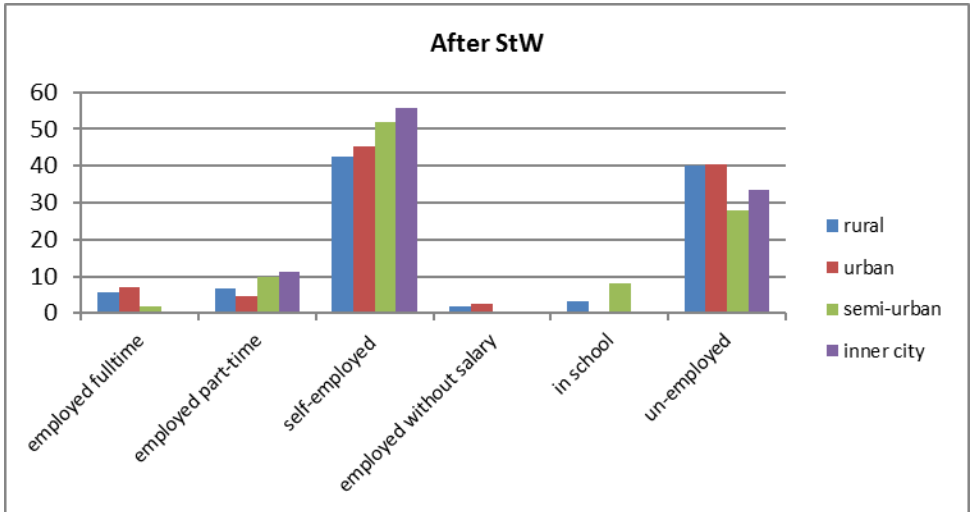
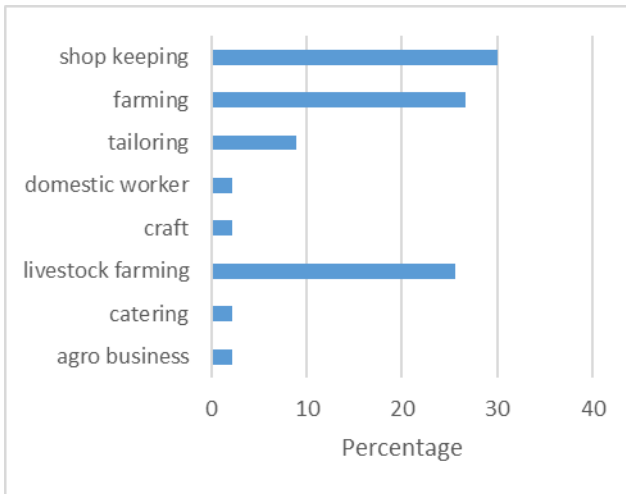


Figure 6: Self-employed Activities



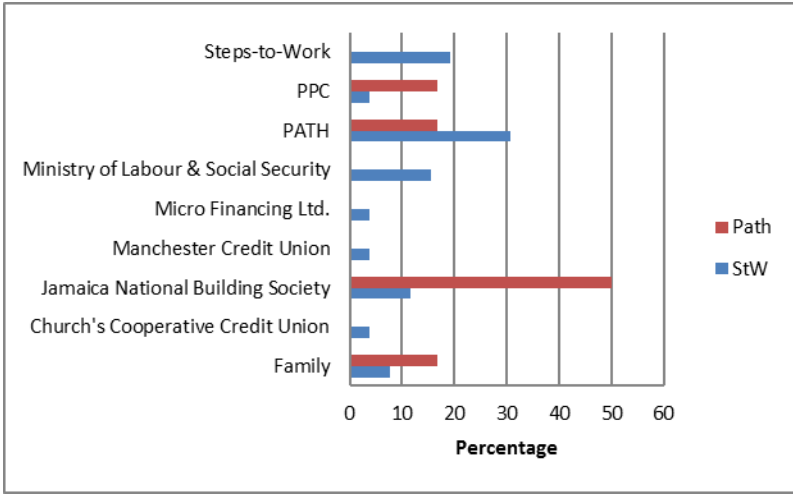
Self Employed Activities: Coping Strategies

Figure 6 shows that the activities in which the self-employed were most likely to be involved are shop keeping, livestock and cash crops farming.

The majority of StW (78.5 percent) and PATH (67.4 percent) self-employed beneficiaries owned their businesses prior to registering in the respective programs and in both cases an average of one additional person was employed. The businesses were generally started independently and in a few cases with friends and family. While 21.7 percent of StW beneficiaries received a grant or loan to start or improve their business, only 7.1 percent of PATH beneficiaries received this facility. In fact, the majority of self-employed individuals started or improved their business without a loan or grant. Individuals also indicated the amount of funds received as grant or loan but the number of StW (27) and PATH (6) who did so was small. Nonetheless, it is interesting to note that the maximum received was the same for both groups of individuals at JA\$100,000, but while the minimum for StW beneficiaries was \$10,000, that received by their counterparts was \$1,300. Figure 7 shows the source of funding for both StW and PATH beneficiaries and suggests that part of the difference in the outcomes may be due to the fact that self-employed StW beneficiaries were more likely to receive grants, while the majority of PATH beneficiaries used loans, and it is clearly seen that close to 50.0 percent of PATH beneficiaries accessed funds from the Jamaica National Building Society. Those who reported receiving a loan or grant primarily received the grant from the Ministry of Labor and Social Security. The main difficulties experienced by these small businesses were finding funding/capital and the unfavorable market conditions. Most individuals in the focus group meetings

felt that participating in the program did not lessen these difficulties.

Figure 7: Source of Grant or Loan



Some of the challenges that individuals identified were related to the process of qualifying for the business development grant, the need to present an invoice and the waiting time to receive the grant. Individuals argued that some of the businesses from which they do their regular shopping do not provide invoices and therefore they have to go to other businesses, which may require travelling significant distances, and at additional costs. In addition, they argued that the art of buying and selling is about purchasing items at the lowest possible cost and this may involve shopping around, so that if individuals are restricted to purchase from a specific company this may reduce some of the possible profits that they can generate. There is also the concern with the time taken to process the grants and in some cases the need to produce new invoices because of the delay in processing. Individuals argued that

not only was the processing time protracted but there tended to be little or no communication on the status of their application. This resulted in some frustration with the program since the expectation was for the grant to be received two months after the completion of the program. However, the Entrepreneurship Grants Program was launched in June 2011 and this should have addressed many of the issues identified by respondents.

Nonetheless, many expressed the view that participating in the StW program resulted in access to grants, improved skills in customer service, better record keeping and accounting, thrift, better money management and the acquisition of valuable knowledge. The view of one participant captures this quite well:

Say for example, they teach us that if you make \$1,000 profit for the month you have to pay workers and yourself and just do not spend it as if all belongs to you because it is your business. You have to manage it the right way.

Box 1: Perceptions of a Participant in the Focus Group Meeting

“like seh for example, they teach us like seh you make a JA\$1,000 profit for the month we don’t go in the principal and the profit is how you budget it out and you have for example Delroy or Ricardo working with me. Me tek out my pay outta the \$1,000 and fi dem pay outta it and den me balance it out. So me nah go just go inna the profit now, me nah just go inna dis because me nuh get pay and seh you are di owner and you still a tek out tings seh me fi get \$20 an

dem fi get \$20 or suh, just balance it up. True a your business, u nah go just dip inna it when you ready; you fi just manage it the right way.”

Invariably, most respondents reported that the approach to the management of their business was new and different from what obtained prior to participating in the training program. Beneficiaries reported that they were now in a position to write receipts, say how much money their business made, what they paid themselves and reinvest into the business. Most participants who did the business development training said that they were more knowledgeable, focused and optimistic about the future, despite current challenges in the economy. For many the experience had been a life-changing one, where previous attitudes and approach to business and money management changed and individuals now felt that they were managing their business much better and were seeing greater levels of success in earnings and savings. As previously indicated, individuals were engaged in a wide array of business activities/coping strategies, such as chicken or pig rearing; cash crop farming; catering; trading in personal effects, snacks and general consumption items; and personal services such as hair dressing and tailoring. Bringing together individuals with a shared experience of the PATH program resulted in tremendous sharing of life experiences, strategies and methods used to overcome challenges and created and fostered new friendships and social capital. Individuals who completed the Entrepreneurial Enhancement Training and Support and Farmers Training and Support were very vocal about the successes of the program; those who completed the Jamaica Foundation for Lifelong Learning (JFLL), HEART Training and Life skills for Career Success programs also expressed this perception. Individuals gave high marks to the job preparation skills

they received in writing of resumé, preparation for interviews and general posture and speech (how to conduct themselves). However, while some individuals found jobs in various sectors of the economy such as tourism and hospitality, a significant number seemed not to have made much progress in their attempts to find jobs. Some individuals claimed that initially they were hired by the MLSS on short-term assignments and since the completion of that exercise they had been unemployed. In the next section, we explore the reasons individuals put forward for their unemployment.

Unemployment and Job Seeking Strategy

Approximately 38.0 percent of beneficiaries classified themselves as unemployed and 82.3 percent completed the StW program. The majority of individuals out of work believed that work is difficult to find, opportunities for employment are not forthcoming or they lacked the skills/experience for available positions, yet they argued that the only way to change their situation would be to find a job or start a business. However, it was no surprise that many of these individuals did not have a job, given the state of the Jamaican and world economy in 2011.

Over 30.0 percent of individuals who found a job or improved their business claimed that this took place within one to three months after completing the training program. However, if we combine the categories, “still enrolled in the program” with “before completing the program,” we see that approximately 38.0 percent of individuals found a job or improved their business while they were still enrolled in the program, but 90 percent of these individuals are self-employed. This is still an outstanding outcome, which shows the relevance and practical nature of the StW program where program participants were able to

immediately put their newly-acquired knowledge into practice.

The major strategies used to find employment ranged from working in family businesses, applying directly to employers, or use of other methods. Table 3 shows that these methods of job-seeking were used by both the employed and unemployed, individuals in rural and urban areas, females and males, and individuals of all ages. However, the unemployed and individuals between the ages of 15-30 were more likely to use job placement by the StW administrators. In addition, the unemployed, urban residents, males and younger persons were more likely to try personal connections as a means of securing employment.

Jamaica seems to be faced with both structural and seasonal unemployment problems. The former presents a greater challenge and in theory can be lowered in two ways: by promoting more efficient matching between job-seekers and vacancies; and by bringing discouraged and socially-excluded workers (such as the long-term unemployed, poor or women workers who dropped out of the labor force) back into the labor market. Targeted retraining such as the StW program and employment information services would enhance beneficiaries' ability to re-enter the labor market and compete effectively for jobs. However, to the extent that unemployment is structural, we should expect some adjustments in demand and supply, with corresponding changes in prices and incentives, but more important are the transformation and growth of the Jamaican economy.

Table 3: Approach Used by Individuals to Find Employment

	Employed	Un- employed	Rural areas	Urban areas	Age Groups					
					Females	Males	15-30	31-40	41+	
Job Placement by the StW Administrators	2.06	5.88	4.72	1.69	4.23	0	10.2	2.17		
Applied directly to the employer	24.74	35.29	25.47	35.59	30.28	21.74	42.86	32.61	17.14	
I was approached by an employer	2.06		0.94	1.69	0.7	4.35	2.04		1.43	
Training institution gave me assistance	0	1.47	0.94	0	0.7	0	2.04			
Personal connections/links	4.12	5.88	2.83	8.47	3.52	13.04	8.16	2.17	4.29	
Started working or continued to work in family business	35.05	11.76	24.53	27.12	25.35	26.09	10.2	26.09	35.71	
Other	31.96	39.71	40.57	25.42	35.21	34.78	24.49	36.96	41.43	
Total N	97	68	106	59	142	23	49	46	70	

Note: The category Other includes individuals in school or not seeking employment

Household and Business Income

While employment status can give some indication of individuals' well-being, it is not sufficient and as a result we look at individuals' self-reported mean income. Figures 8 and 9 suggest that on average both StW and PATH households were slightly worse-off financially in all geographical regions. Average monthly income for StW beneficiaries decreased from \$13,138.2 to \$11,144, but the difference is not statistically significant. It is in self-reported secondary incomes that we see a notable change decreasing from an average of \$4,777.5 to \$1,870.3, and here the difference is highly statistically significant. The same trend is seen for PATH beneficiaries where average incomes declined from \$8,398.1 to \$5,937.0 and from \$2,959.8 to \$1,821.2 for primary and secondary incomes respectively. In addition, median income of StW beneficiaries declined from \$10,000 to 6,500, but the decline was greatest in urban regions moving from \$12,400 to \$3,500. These outcomes are in fact driven by the significant increase in the level of unemployment for both groups, and what is relevant here is how the StW participants fared relative to the control group. Actually, if incomes of only the employed are considered, the results are the opposite. However, neither approach changes the results of the comparison between the StW beneficiaries and the comparison group. The results show that on average StW beneficiaries earn significantly more than the control group in both the before and after scenarios.

Figure 8: Average Current Monthly Income

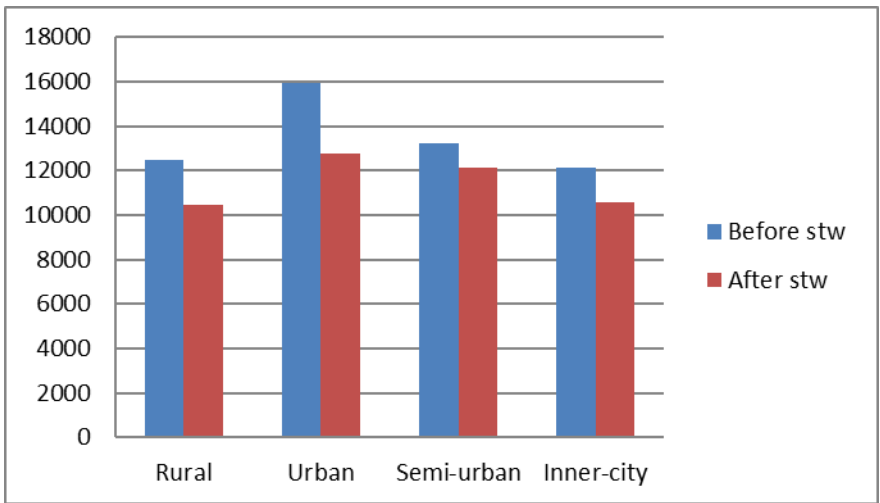


Figure 91: Distribution of Current Income by Region for PATH Beneficiaries

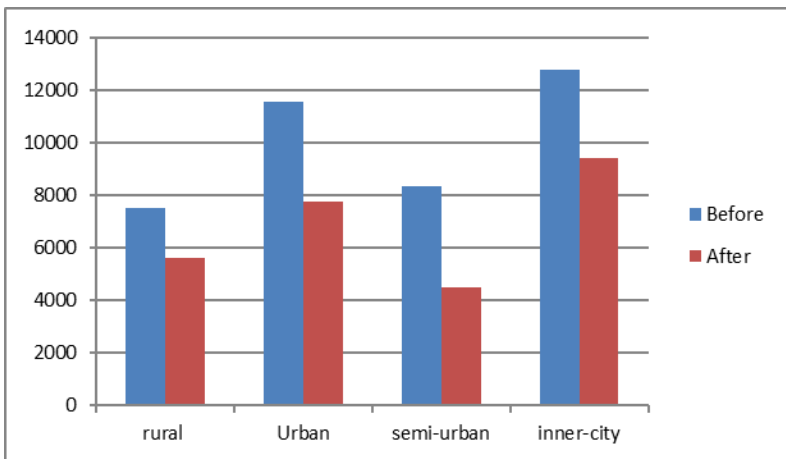


Table 4 shows that the outcomes were influenced by the highly significant outcomes in rural and semi-urban areas. In these areas StW participants earned significantly more than PATH beneficiaries in both periods. On the other hand, the differences in secondary incomes were not statistically significant.

The outcomes for income in the before period were somewhat surprising and may suggest that the poorest of the poor are still being left behind by the StW program. This conclusion, however, needs to be tempered since we did not include nonwage incomes received from other sources such as remittances and public transfers. However, it is also not clear what explained the difference in incomes, and answers are sought by looking at labor market and educational outcomes. The average and median number of hours worked by PATH and StW beneficiaries was not different prior to their participation in the respective programs but after participation StW beneficiaries were working on average one to five more hours based on the mean and median respectively. Hours in the labor market clearly account for some of the difference in income, but we also know that the level of unemployment is higher among PATH beneficiaries and that educational attainment of these individuals are similar. Lower levels of labor force engagement clearly show up in terms of lower earnings for PATH beneficiaries.

Next, we look at average incomes by type of StW training completed. Here we see that average incomes for all categories of training, except individuals who completed the entrepreneurial training, declined (see Table 5), and were clearly a function of the level of unemployment within each category and this is supported in Table 6 which shows that incomes for those individuals who are employed actually increased and higher incomes are enjoyed by those employed fulltime and the self-employed.

Incomes	SIW (T)		PATH (I)		Difference in means: Pr values (Ho: diff = 0)	
	Before	After	Before	After	Before	After
Rural areas	149	12520	151	10534	Pr(TI > I) = 0.00003	Pr(TI > I) = 0.00002
Urban	43	15932.5	39	12749.2	Pr(TI > I) = 0.2734	Pr(TI > I) = 0.1437
Semi-urban	48	13189.6	46	12153.6	Pr(TI > I) = 0.0170	Pr(T > I) = 0.0138
Inner-city	9	12111.1	9	10555.6	Pr(T > I) = 0.2516	Pr(T > I) = 0.2701
Average	N(248)	13110.7	N(245)	11226.7	Pr(TI > I) = 0.00000	Pr(TI > I) = 0.00000
Average Secondary incomes	N(102)	4777.5	N(118)	1870.3	Pr(T > I) = 0.0758	Pr(T > I) = 0.4850

Table 4: Mean Income Before and After Program Registration

Note: Mean incomes are reported in current dollars and the average exchange rate in 2011 of the Jamaican dollar to the USD is: \$86.08 JA = \$1 USD

Table 5: Average Incomes by Type of StW Training

	After-StW			Before-StW		
	N	Primary	Secondary	N	Primary	Secondary
Job Savvy	24	5770.8	58.8	24	6529.9	285.7
Grade 9 refresher	4	1250		4	15500	8000
National youth service	7	6514		6	6066.7	4666.7
Farmers training	61	13594	1721.7	61	17863.1	8200
Entrepreneurial training	92	15193.3	4363.9	93	14991.4	5497.4
HEART skills after	22	6080.3	571.4	21	8661.9	800
Summer intern for at risk youth	0			2	10000	16000
JFLL	27	7070.4	1250	25	8494.4	
High school equivalency	1	0		2	14880	
Pathway to skills	4	8400		4	10400	15000
Behavior modification life skills	1	0		1	16000	8400
Possibility program	5	1560		5	9020	

Note: Average incomes are given for individuals who reported income and missing values are assigned zero or the mean. We are aware that individuals who did not report income may in fact have zero income but given the large number of self-employed without salary we only assigned zero if the individual was unemployed and the mean of the group for missing income.

We showed that, while mean current incomes for both StW and PATH beneficiaries declined over the period, StW participants fared better than their PATH counterparts and within specific groups of the employed income actually increased. Here too StW participants had relatively better outcomes. Next we go on to look at the profits of businesses owned by beneficiaries.

Participants of the StW program were asked about the profits generated in their businesses prior to and after program participation. The same question was also asked of PATH beneficiaries but without the prior option. The results show reported that profits for StW businesses increased significantly in all areas. Annual profits more

Table 6: Mean Income by Employment Status of StW Beneficiaries

	After StW		Before StW	
	N	Mean	N	Mean
employed fulltime	13	18974.8	12	11516.7
employed part-time	19	14432.6	19	9505.3
Self-employed	118	19384.6	118	18079.7
Employed without salary			4	18000
in school			6	8700
				5333.3

than doubled in urban and semi-urban areas, while there was a doubling of profits in rural areas. Prior to the StW program profits were highest in inner-city areas but this area experienced the least growth in profits (See Figure 10). For PATH beneficiaries profits were highest in semi-urban and inner-city communities. However, comparison of results for the two groups showed that only in rural areas were there differences.

Figure 10: Annual Profit Generated by StW Businesses

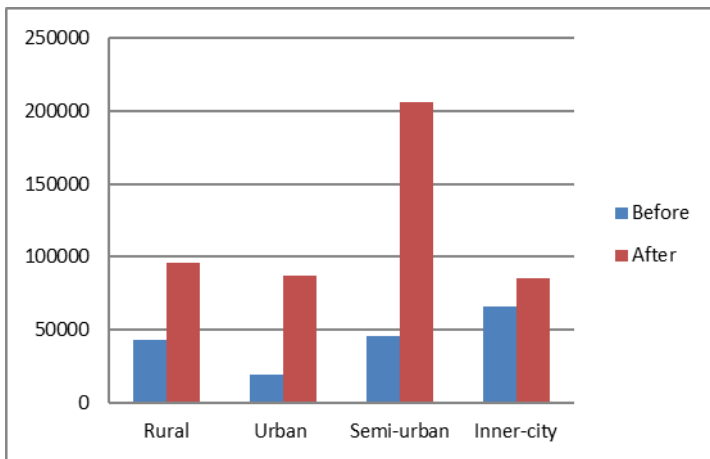


Table 7 shows that annual profits generated by self-employed individuals (67) who were on the PATH program averaged \$81,638.51, noticeably less their profits (\$119,277.8) generated by self-employed individuals (60) on the StW program. This difference is marginally significant and seems to be driven by the statistically significant difference in profits for rural areas. We also see that self-employed StW beneficiaries enjoyed approximately 40.0 percent more accounting profits, relative to the PATH counterparts. In fact, in all regions, with the exception of the inner-city, StW beneficiaries did

better than their PATH counterparts but these differences are not significant.

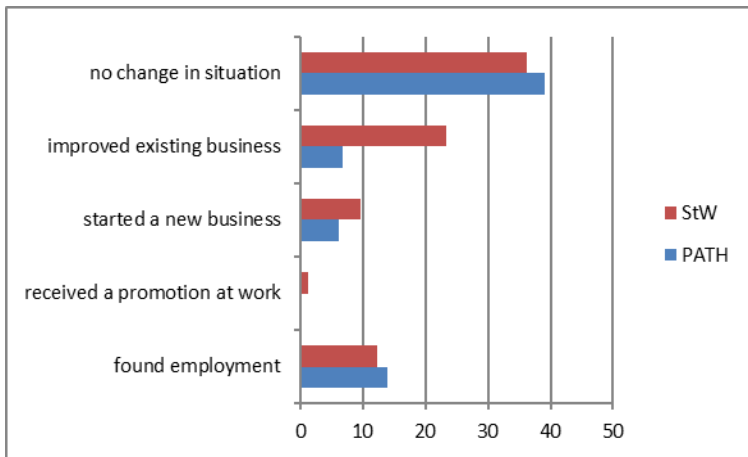
Table 7: Average Profits of Self-employed Individuals

Regions	StW				PATH			Ho: diff = 0
	Mean (before)	Mean (T)	95% Conf. Interval		Mean (t)	95% Conf. Interval		
Rural	43,033.0	\$95,734.4	56997.54	134471.3	\$59,293.0	36814.36	81771.64	Pr(T > t) = 0.0423
Urban	19,366.7	\$86,791.7	-1754.119	175337.5	\$64,850.0	5046.449	124653.6	Pr(T > t) = 0.3338
Semi-urban	46,113.6	\$205,833.3	63787.02	347879.6	\$177,061.8	87460.73	266662.9	Pr(T > t) = 0.3653
Inner-city	66,000.0	\$85,000	-664666.1	834666.1	\$108,000	-21937.29	237937.3	Pr(T < t) = 0.3608
Average	41,028.5	\$119,277.8	78048	160507.6	\$81,638.5	58442.67	104834.3	Pr(T > t) = 0.0575

Note: Adjustment of the before values for inflation suggest a somewhat altered perspective.

What explains the slightly better outcomes for StW participants? To explain the difference we look at the size of the businesses in terms of number of persons employed, assistance received in starting or improving the business, and some of the difficulties faced.

Figure 11: Individuals' Perceptions of Changes after Program Participation



In response to the question: What was one of the main difficulties starting or maintaining your business? Approximately 90.0 percent of both PATH and StW

beneficiaries indicated problems or difficulty finding funding and unfavorable market conditions. None of the StW beneficiaries indicated lack of knowledge as a problem; however, for 5.1 percent of PATH beneficiaries this was an issue. This is consistent with the knowledge, experience and confidence participants of the StW program gained in business management, and are clearly important impacts of the training program. Figure 11 shows the percentage of individuals reporting the various outcomes for both PATH and StW beneficiaries. While there was no difference in the two groups of individuals in terms of the percentage reporting finding employment, receiving a promotion, starting a new business and no change, there was a large and statistically significant difference in the percentage reporting improved existing business. Here we see that 23.4 percent of individuals reported that they improved their existing business compared with 6.8 percent of PATH beneficiaries. We have therefore shown that not only are reported profits somewhat greater for self-employed StW beneficiaries, they have greater access to grants, more confidence in managing their business and they have correctly stated that their business improved somewhat as a result of participation in the StW program.

Most of these individuals are trying to build on their existing economic activities which are largely coping strategies, but with the newly acquired skills and experience may be transformed into more stable and viable businesses. The grant, though very small, can facilitate this transformative process but ultimately the commitment and determination of the individual to succeed will play an important role. Here they may also need continued support and various forms of assistance and grants that meet specific needs. Participants of the focus group meetings pointed to the multiple activities in which they were engaged or in some cases the multiple agencies from which assistance was sought and in some cases received. This

means that the outcomes of household income and business profits must be tempered by the fact that most of these individuals still need and depend on the PATH benefit.

This outcome is somewhat different from information gathered in the focus group meetings. There was a general consensus in the focus group meetings that while the business training resulted in the adoption of new strategies in their businesses in terms of profitability, the businesses were doing just as before the training. Individuals also argued that part of the reason for no change in their business profitability was that the price of items required for their business has been increasing steadily and they are unable to pass all of the increased cost on to consumers.⁷

Analysis of StW Program Impact

The Steps to Work (StW) program forms part of the government's strategy for poverty reduction. The program focuses on skills development in a wide variety of trades and job-matching facilities. StW focuses on disadvantaged adults and young people, whether living in PATH or non-PATH households. The main objective is to improve the livelihoods and prospects of participants, as well as building capacity and alleviating poverty, and is consistent with the perspective of the majority of beneficiaries who saw the StW program as a means of improving their livelihoods, either through life skills training, employment, or business development and enhancement.

The StW program is characterized by the link between social protection, with its rational of income protection and poverty amelioration and the need for enhanced employment and human capital. The MLSS has done a great job of recruiting individuals to the program.

⁷ Clearly individuals are considering real values in their assessment of the profitability of their businesses.

Over sixty percent of individuals were recruited to the program through direct contact with a MLSS official. It is not surprising that the majority of program participants are women since, according to the literature, women tend not only to have greater social capital but they are also more likely to participate in social programs such as PATH and this is consistent with findings in this study.

Individuals entered the StW program with a variety of skill sets but approximately 50 percent had at most incomplete secondary education, a slightly better outcome relative to 64.3 percent for PATH beneficiaries. Having completed the StW program, the proportion of individuals with post-secondary education more than tripled, increasing from 12.2 percent to 39.4 percent. In addition, there has been a significant increase in the proportion of individuals with skills training certificate/post-secondary education as a result of the StW program. This certainly helps in addressing the problem of low levels of human capital in the labor force cited by the World Bank (2011), but is the level of human capital acquired sufficient to lift individuals out of the ranks of the working poor? As previously indicated, the literature suggests that the acquired training and job placement are still not sufficient and the time frame program managers expect individuals to become independent of supplementary programs may need adjusting. In addition, it is important that the StW program improved participants' skills and supports activities that participants are already pursuing, which should enhance sustainability and this is seen in the case of farming skills.

The expectation of individuals on entering the StW was that it would improve their chances of finding employment, improve their income and change their situation. The fact that some individuals had no other option, and tuition was free, was also very important in influencing participation. While the employment expectations of many participants did not materialize, there

was a notable increase of 5.2 percentage points in the proportion of StW beneficiaries self-employed.

What drives the different outcomes for StW and PATH self-employed beneficiaries? We suggest likely factors are business management and access to grants, both of which are impacted by the StW training program. The majority of both groups of self-employed beneficiaries owned their businesses prior to program participation, and were likely to have one additional person employed. However, they faced different constraints in their businesses. PATH self-employed beneficiaries relied primarily on loans to finance their businesses, while for their StW counterparts they primarily used grants. In addition, only self-employed PATH beneficiaries suggested lack of knowledge as a problem in managing their businesses and a significantly larger proportion of self-employed StW beneficiaries reported that they improved their businesses. In other words the StW program impacted the ability of self-employed individuals to retain employment, access grants and improve the management of their businesses.

The larger number of individuals exposed to entrepreneurial training was not only reflected in increased numbers in self-employment but this group also seemed to have greater prospects of being employed. In fact, given the success of this course and the nature of the Jamaican economy, it may prove useful to expose all StW participants to the three to five days Entrepreneurial Enhancement Training and Support Program (this strategy may also prove useful in addressing youth unemployment). The grant may be reserved for individuals who already have a small business or have interesting proposals. This may give rise to the establishment of a wider array of small businesses and in different sectors of the economy. The extent to which these businesses survive and therefore provide stable employment will be influenced by their

resilience and this may be dependent on the duration of their existence, the demand for the service and continued support (financial and otherwise) and training of entrepreneurs. The StW program is clearly not in a position to provide all of these services, but information such as the source of micro-financial loans and requirements may prove useful in the long run and could be provided during the training program.

Regardless of the training received, StW beneficiaries had high praise for the skills and knowledge gained (business and money management, self-confidence built, new attitude towards risky life styles, job preparation and skills for career success), and the direction and optimism they acquired despite current challenges in the Jamaican economy. It was also noted that PATH beneficiaries were optimistic that their situation will change despite the current economic climate. The source of this optimism may be simply personality traits or occurrences in the economy and society. As a result, all of the optimism may not be solely the result of the StW program, but clearly individuals were more optimistic in their ability to find jobs and to manage their businesses successfully as a result of the training.

The data show that employed StW participants earned consistently more than their PATH counterparts but how much of this difference can be attributed to the training program? There were multiple factors affecting any given outcome and there are also likely to be differential impacts, so it is really difficult to ascribe influence directly, even where there were no changes. Nevertheless, we set aside possible differential influences by assuming that, since the StW and PATH beneficiaries are strikingly similar in demographic and educational characteristics, they were likely to experience similar impacts. This also means that since the differences in income between the two groups of beneficiaries in pre- and

post-registration scenarios did not change, the program seems to have had little or no impact on incomes. This is consistent with the view of the focus group meetings and results from the inability of many individuals to find jobs.

However, self-employed StW beneficiaries are faring better than their PATH counterparts. Not only did they point to the acquisition of new skills, knowledge and confidence in business and money management, they were generating on average significantly larger profits than self-employed PATH beneficiaries. This outcome was not robust across all regions and only evident in rural areas. What accounts for the difference? The majority of both groups of self-employed beneficiaries has been operating small businesses for some time prior to program participation and are generally of the same firm size. In addition, they both used loans and grants in their businesses, but StW beneficiaries had greater access to grants while PATH beneficiaries relied primarily on loans. As a result the StW program has not only impacted individuals skills, knowledge and business management, it has allowed them to improve the profitability of their business (coping strategies).

Conclusion

We must be mindful of the fact that the StW program exists within a context, which may have a major influence on the outcomes and impact of the program. As a result there is an attribution gap which requires caution in ascribing all changes to the program. Undoubtedly, the StW program helped learners acquire skills, knowledge and attitudes needed to enter the world of work and start or expand their businesses. Its contribution to poverty alleviation and social and economic inclusion of marginalized and vulnerable individuals depends on the level of success of coping strategies. It is not surprising

that the majority of program participants were women. Women are among the most vulnerable, but have greater social capital and are more likely to participate in social programs. So from the perspective of vulnerability, the program made an impact and undoubtedly affected the lives of participants in a positive way. The knowledge gained and shared with family members can also gradually chip away at intergenerational poverty traps.

While several individuals completed the program but were still seeking employment, they were all very optimistic about the future and felt that their skills have made them much more marketable. Individuals who completed the entrepreneurial program were more likely to retain employment and be gainfully employed relative to individuals who completed skills training. It seems therefore that, within the context of a 'soft' economy, individuals need broad skill sets which are fungible and allow for the flexibility needed to compete successfully in today's economy.

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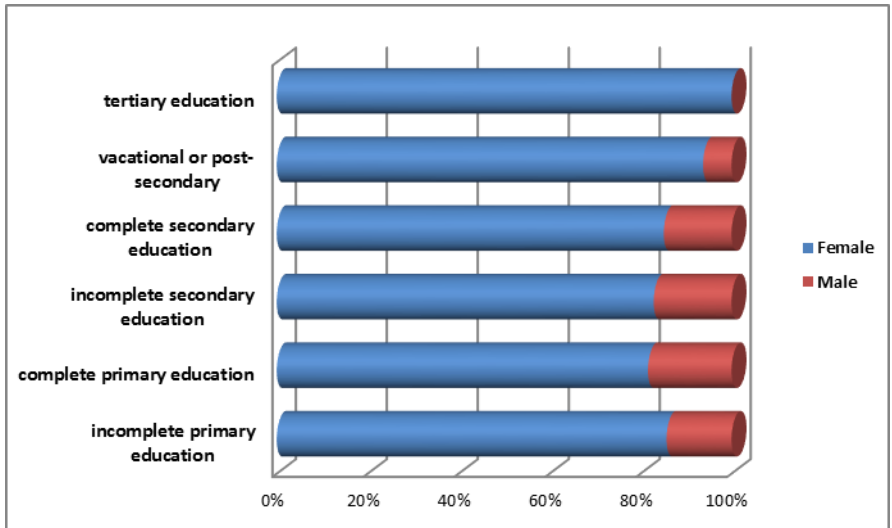
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APPENDIX

Annex 1: Total Sample and Distribution by Parish

	StW		PATH		Estimated population distribution for proportionate sample
	N	Percentage	N	Percentage	
Clarendon	93	35.5	88	29.8	32,7
Manchester	56	21.4	50	17.0	19.7
St. James	40	15.2	62	21.0	17.6
Trelawny	32	12.2	45	15.3	12.1
Kingston	21	8.0	29	9.8	5.8
St. Andrew	20	7.6	21	7.1	12.1
Total	262		295		300

Annex 2: Educational Attainment Prior to StW Program Participation



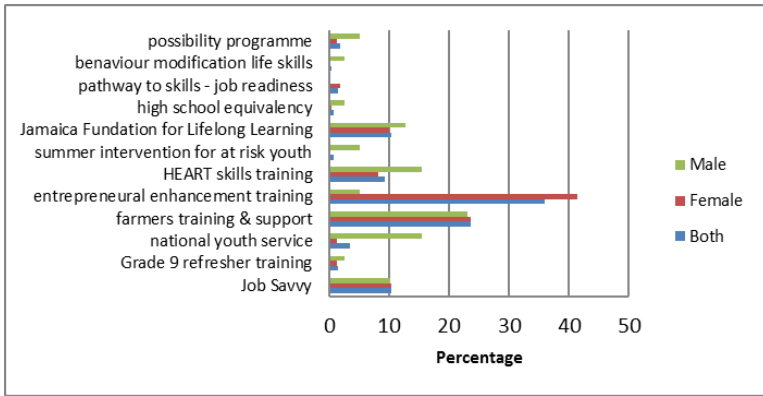
Annex 3: Educational Outcomes of StW Participants

	Before Program Participation							
	2007 Before StW	2011 After StW	Femal es	Male s	Age Groups		rural	urba n
All groups					15- 30	31+		
Incomplete primary education	2.67		2.69	2.56		3.78	3.73	0.99
Complete primary education	18.7	15.63	17.94	8	7.79	23.2	16.7	21.7
Incomplete secondary education	29.01		28.25	33.3	23.3	31.3	25.4	34.6
Complete secondary education	35.88	8.75	35.87	3	8	5	7	5
Vocational or post-secondary school	12.21	39.4	13.45	5.13	54.5	28.1	37.8	32.6
Diploma	0.76	0.63	0.9		5	1	9	7
University	0.38	0.63	0.45		12.9	11.8	14.9	
Uncertain	0.38	3.75	0.45		9	9	1	7.92
Same as before		31.25						
Total N	262	160	223	39	77	185	161	101

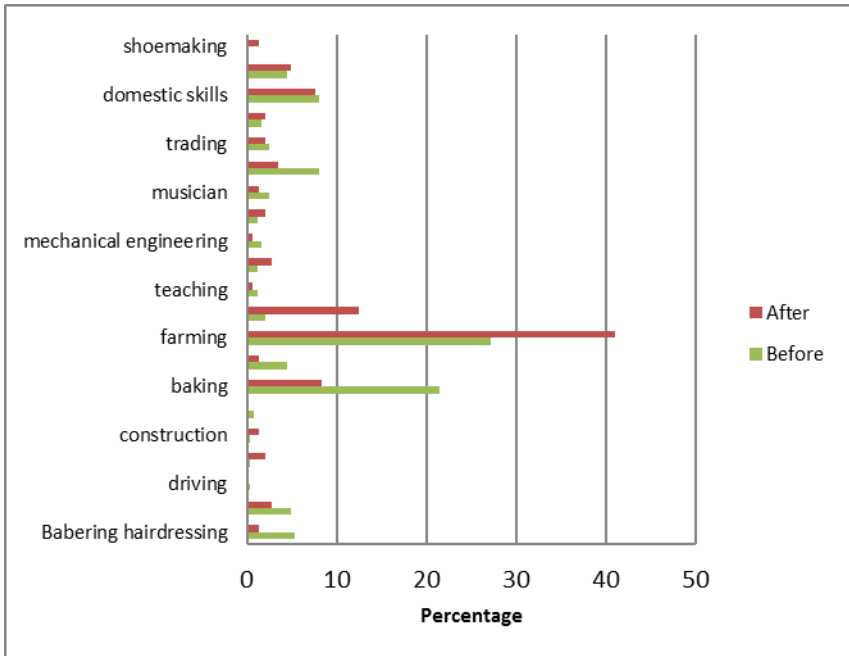
Annex 4: Educational Outcomes of PATH beneficiaries (control group)

	Before program participation							
	2001 Before PATH	2011 After Path	Female	male	Age Groups		rural	urban
All groups					15-30	31+		
No formal education	0.7		0.4	4.0		0.8	1.0	
Incomplete primary education	6.8		5.6	20.0	2.0	7.8	8.3	3.4
Complete primary education	24.2	2.9	22.7	40.0	3.9	28.4	21.8	29.6
Incomplete secondary education	32.7		33.8	20.0	43.1	30.5	32.5	33.0
Complete secondary education	25.9		27.1	12.0	33.3	24.3	26.2	25.0
Vocational or post-secondary school	9.2	61.8	9.7	4.0	17.7	7.4	9.7	8.0
Diploma	0.7	5.9	0.7			0.8	0.5	1.1
University	0.0	2.9						
Other	0.0	26.5						
Total N	294	34	269	25	51	243	206	88

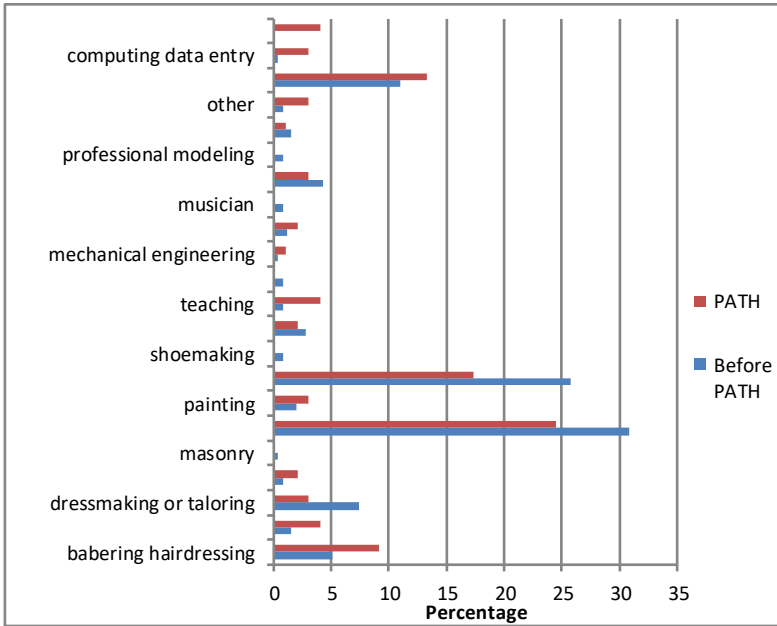
Annex 5: Distribution of Beneficiaries by Type of Program



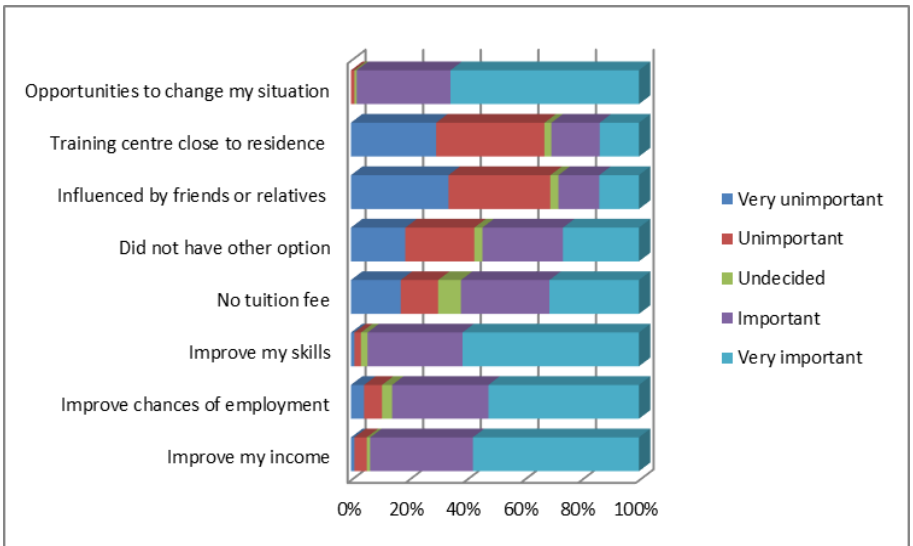
Annex 6: Distribution of Skills Sets of Stw Beneficiaries Prior to and After Registration



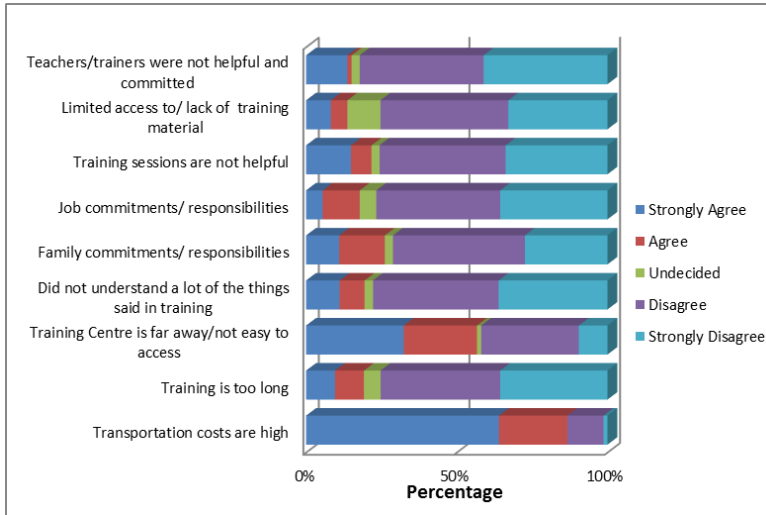
Annex 7: Skills had and Attained by PATH Beneficiaries



Annex 8: Distribution of Level of Importance for Enrolling in Stw Program



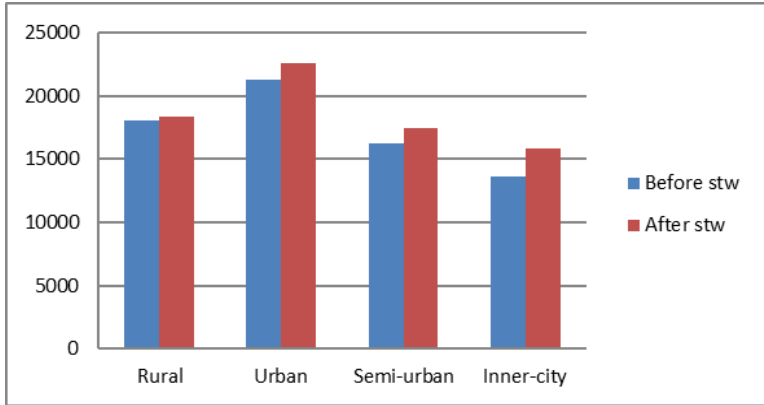
Annex 9: Difficulties Experienced in Attending Training



Annex 10: Views of Participants on the Impact of the Program

STATEMENTS	N	Strongly disagree	Disagree	Undecided	Agree	Strongly Agree
I am satisfied with the assistance I got through the StW Program	260	5.8	9.2	6.2	37.3	41.5
Training sessions were interesting	260	0.4	1.5	1.9	35.8	60.4
Training material was useful and relevant	261	0.4	1.5	3.8	39.5	54.8
The skills I have garnered through the StW Program are marketable	251	1.2	1.6	6.0	41.0	50.2
Social workers were helpful and committed	261	0.4	0	1.9	41.4	56.3
Graduation from the StW Program will definitely help me find a job/start my own business	258	3.5	6.2	15.1	39.5	35.7
Referrals received were not helpful	259	7.7	29.7	26.6	17.8	18.2
Because of the training received through the StW Program employers were willing to hire me	252	5.2	12.3	50.0	20.2	12.3
The StW Program has changed my attitude towards risky lifestyles (promiscuity, gang warfare/membership, drug-use, gun warfare, prostitution, drug-trafficking)	257	10.1	7.4	10.5	39.3	32.7
Participating in the Program has built my self-confidence	260	0	1.5	0.4	39.6	58.5
Participating in the StW Program has not improved my well-being in any way	261	26.4	39.1	7.7	15.7	11.1

Annex 11: Average Current Monthly Income



Annex 12: Mean Income Before and After Program Registration

Incomes	StW (T)				PATH (t)				Difference in means: Pr values (Ho: diff = 0)	
	Before		After		Before		After		Before	After
Rural areas	105	18038.7	87	18382.2	130	10775.4	90	12063.3	Pr(T > t) = 0.0000	Pr(T > t) = 0.0048
Urban	30	21243.3	22	22600.9	27	12329.6	13	17346.2	Pr(T > t) = 0.0194	Pr(T > t) = 0.4433
Semi-urban	39	16233.3	32	17470.8	30	10570.7	16	10386.3	Pr(T > t) = 0.0429	Pr(T > t) = 0.0435
Inner-city	8	13625	6	15833.3	16	14421.9	12	14883.3	Pr(T > t) = 0.6061	Pr(T > t) = 0.4051
Average	N(182)	17986.04	N(147)	18711.12	N(203)	11239.4	N(131)	12641.1	Pr(T > t) = 0.0000	Pr(T > t) = 0.0007
Average Secondary incomes	N(35)	13922.9	N(20)	11035	N(38)	8334.2	N(15)	20400	Pr(T > t) = 0.0626	Pr(T < t) = 0.1657

There is an issue of benchmarking the before scenario of StW and PATH beneficiaries. However, PATH beneficiaries were on the program for an average of 4 years which is consistent with the start-up date of the StW.

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